

STATE OF ILLINOIS
IN THE CIRCUIT COURT OF COOK COUNTY
COUNTY DEPARTMENT - CHANCERY DIVISION

THE PEOPLE OF THE STATE OF ILLINOIS, ex rel.
LISA MADIGAN,

Plaintiffs,

-vs-

No.

HEART CHECK AMERICA INC., a California Corporation,
d/b/a Heart Check America Arlington Heights; HEART CHECK
AMERICA, TINLEY PARK, L.L.C., an Illinois limited liability
company, d/b/a Heart Check America; SHEILA HADDAD,
individually and as President of Heart Check America, Inc. and
owner and manager of Heart Check America, L.L.C.; and
DAVID HADDAD, individually and as principal of Heart Check
America, Inc. and Heart Check America, Tinley Park, L.L.C.,

Defendants.

11CH22468

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

NOW COMES the Plaintiff, THE PEOPLE OF THE STATE OF ILLINOIS, LISA MADIGAN, Attorney General of the State of Illinois and brings this action for injunctive and other relief against Defendants, HEART CHECK AMERICA, INC., a California corporation, d/b/a Heart Check America Arlington Heights; HEART CHECK AMERICA, TINLEY PARK, L.L.C., an Illinois limited liability company d/b/a Heart Check America; SHEILA HADDAD, individually and as President of Heart Check America, Inc. and owner and manager of Heart Check America, Tinley Park, L.L.C.; and DAVID HADDAD, individually and as principal of Heart Check America, Inc. and Heart Check America, Tinley Park, L.L.C., (hereinafter "Defendants") for violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 *et. seq.*

PUBLIC INTEREST

1. The Illinois Attorney General believes this action to be in the public interest of the citizens of the State of Illinois and brings this lawsuit pursuant to the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/7(a).

JURISDICTION AND VENUE

2. This action is brought for and on behalf of THE PEOPLE OF THE STATE OF ILLINOIS, LISA MADIGAN, Attorney General of the State of Illinois, pursuant to the provisions of the Consumer Fraud and Deceptive Business Practices Act ("Consumer Fraud Act"), 815 ILCS 505/1 *et. seq.*, and her common law authority as Attorney General to represent the People of the State of Illinois.

3. Venue for this action properly lies in Cook County, Illinois, pursuant to section 2-101 of the Illinois Code of Civil Procedure, 735 ILCS 5/2-101, in that some of the transactions complained of herein out of which this action arose occurred in Cook County.

PARTIES

4. Plaintiff, THE PEOPLE OF THE STATE OF ILLINOIS, by LISA MADIGAN, the Attorney General of the State of Illinois, is authorized to enforce the Consumer Fraud Act, 815 ILCS 505/7(a).

5. Defendant SHEILA HADDAD owns and operates two businesses in the Chicago area:

Heart Check America, Inc.
2010 S. Arlington Heights Road
Arlington Heights, Illinois 60005

Heart Check America, Tinley Park L.L.C.
9501 171st St., Suite Q
Tinley Park, Illinois 60487

6. Defendant HEART CHECK AMERICA, INC. is a California corporation with its principle place of business at 9242 Greenwood Drive, Tinley Park, Illinois 60487. Defendant HEART CHECK AMERICA, INC. is a duly registered California corporation in the State of Illinois. It was incorporated on December 9, 1996. SHEILA HADDAD is listed as the President.

7. Defendant HEART CHECK AMERICA, TINLEY PARK L.L.C. is an Illinois limited liability corporation with its principle place of business at 9501 171st St., Suite Q, Tinley Park, Illinois 60487. Defendant HEART CHECK AMERICA, TINLEY PARK, L.L.C. is a duly registered L.L.C. in the State of Illinois. It was registered with the Illinois Secretary of State on October 8, 2009 with SHEILA HADDAD listed as the manager.

8. Defendant SHEILA HADDAD resides in Tinley Park, Illinois and is being sued individually.

DEFENDANT SHEILA HADDAD is the owner, President, Secretary and Treasurer of HEART CHECK AMERICA, INC. She is also the owner and manager of HEART CHECK AMERICA, TINLEY PARK, L.L.C. Defendant SHEILA HADDAD, at all times material to this Complaint, formulated, directed, controlled and had the authority to control or participated in the acts and practices of Defendants HEART CHECK AMERICA, INC. and HEART CHECK AMERICA, TINLEY PARK L.L.C., including the acts or practices set forth in this Complaint.

9. Defendant DAVID HADDAD resides in Tinley Park, Illinois. Defendant DAVID HADDAD is a principal, manager and supervisor of sales and marketing for HEART CHECK AMERICA, INC. and HEART CHECK AMERICA, TINLEY PARK, L.L.C. Defendant DAVID HADDAD is the son of Defendant SHEILA HADDAD. Defendant DAVID HADDAD, at all times material to this Complaint, formulated, directed, controlled and had the authority to control or participated in the acts and practices of Defendants HEART CHECK AMERICA, INC. and HEART CHECK AMERICA TINLEY PARK L.L.C., including the acts or practices set forth in this Complaint.

10. To adhere to the fiction of separate corporate existence between the corporation, limited liability company, SHEILA HADDAD and DAVID HADDAD would serve to sanction fraud and promote injustice.

11. For purposes of this Complaint for Injunctive and Other Relief, any references to the acts and practices of Defendants shall mean that such acts and practices are by and through the acts of Defendants SHEILA HADDAD, DAVID HADDAD, and HEART CHECK AMERICA INC. and HEART CHECK AMERICA, TINLEY PARK L.L.C.'s officers, members, owners, directors, employees, salespersons, representatives and/or other agents.

TRADE AND COMMERCE

12. Subsection 1(f) of the Consumer Fraud Act, 815 ILCS 505/1(f), defines "trade" and "commerce" as follows:

The terms 'trade' and 'commerce' mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the people of this State.

13. The Defendants were at all times relevant hereto, engaged in trade and commerce in the State of

Illinois by advertising, offering for sale, selling, dispensing and distributing medical scans of the heart, lung, abdomen and pelvis, bone density and virtual colonoscopies at its Illinois locations.

DEFENDANTS' UNFAIR AND DECEPTIVE BUSINESS PRACTICES

14. As described below, in the course of trade or commerce in the State of Illinois, Defendants have engaged in acts or practices that violate Illinois law. Defendants' conduct is ongoing and has the potential to impact any Illinois consumers who purchase Defendants' goods or services. Therefore, any examples provided of specific consumer experiences are simply illustrations and should not be construed as the only instance in which an Illinois consumer was harmed or could potentially be harmed by Defendants.

15. Defendants advertise and provide Electron Beam Computed Tomography (EBCT) imaging scans to Illinois consumers for preventative diagnosis.

16. Defendants market its body scans to consumers by offering free heart or lung scans.

17. Defendants also telemarket its body scans to Illinois consumers who are on the Do Not Call List.

18. The Federal Trade Commission has received complaints from one hundred and twenty one (121) Illinois consumers who allege that Defendants Heart Check America, Inc. and Heart Check America, Tinley Park, L.L.C. have placed calls to individuals registered with the federal do not call registry.

19. When consumers come to Defendants' office the company conducts high pressure sales to get the consumers to sign up for a multi-year contract costing the consumers up to \$7,000.

20. Defendants' sales representatives are compensated on a commission basis per contract sold.

21. The multi-year contracts are for a period of ten (10) years and offer consumers one (1) full body scan per year.

22. If the consumer has any findings on the lung, heart, and/or abdomen/pelvis scans that require a follow-up scan, then the follow-up scan will be provided at no extra charge, provided that the follow-up scan does not require contrast.

23. The consumers are offered financing to pay for the multi-year contracts.

24. If the consumers decide to pay the multi-year contract cost through financing, the financing is offered through Chase Health Advance and/or Conrad Acceptance Corporation.

25. In addition to the cost of the multi-year contract fees, the consumers are required to pay a

onetime enrollment fee of \$199 and yearly membership dues of \$199.

26. Defendants receive payment in full from either Chase Health Advance or Conrad Acceptance Corporation and the consumers pay Chase Health Advance back over time.

27. Defendants are party to an Account Receivable Pledge and Advance Agreement with Conrad Acceptance Corporation. Conrad Acceptance Corporation provides the following services under that Agreement: servicing accounts receivables on dues and contract payments; customer collections, payment processing and accounting; pledging specific accounts receivable for advances against collections and advancing monies for accounts receivables.

28. The multiple preventative scans may not be medically appropriate for the consumers.

29. Defendants' sales to Illinois consumers are based on the false premise that early detection of disease always leads to better outcomes.

30. Defendants' staffs, which describe and sell these medical procedures to Illinois consumers, are not medically trained.

31. Illinois consumers are not evaluated by medical providers prior to a sale for these medical procedures to determine the medical appropriateness of these screening procedures.

32. Illinois consumers are not properly informed regarding the potential risks of these medical procedures.

33. These risks include, but are not limited to, radiation exposure, false positive results that can lead to unnecessary expense and harm from further medical scans, a false sense of security from false negative results such that consumers do not take proper steps for medical care or lifestyle changes.

34. When consumers receive the body scan the results are not reviewed by an on-site or Illinois physician.

35. Consumers receive the body scan results on a computer disk that is not in a format that is readable by the consumers' physicians resulting in the repetition of costly tests.

36. Some consumers have received inaccurate test results.

37. Defendants' Illinois locations closed in April or May of 2011.

38. Since the closure, consumers have been unable to receive scans or scan results for which they

have prepaid.

39. Even though Defendants were receiving payment in advance for services not yet provided up to ten (10) years in the future, Defendants failed to pay its vendors, including the radiologists who read the scans and its landlords for the Illinois locations.

DEFENDANTS' MARKETING OF ITS BODY SCANS

40. Defendants' marketing to consumers of its body scans fails to adequately warn consumers of the risk of repeated exposure to radiation from CT scans like those performed at Heart Check America (hereinafter "HCA") and are only told that there is a "modest amount of radiation," and "it exposes a limited portion of the body to a small amount of radiation."

41. Defendants' marketing to consumers implies that abdominal and pelvic CT screening scans can improve consumers' health outcomes and that they are cost effective, when in fact they are not.

42. In fact, the American College of Radiology ("ACR") has issued a Statement on Whole Body CT Screening which states that:

[t]he ACR, at this time, does not believe there is sufficient evidence to justify recommending total body CT screening for patients with no symptoms or a family history suggesting disease. To date, there is no evidence that total body CT screening is cost efficient or effective in prolonging life. In addition, ACR is concerned that this procedure will lead to the discovery of numerous findings that will not ultimately affect patients' health but will result in unnecessary follow-up examinations and treatments and significant wasted expense.

43. Defendants' marketing to consumers implies that all people should be screened for lung cancer, when in fact, it is recommended only for those at risk for this disease.

44. Defendants' marketing to consumers recommends heart CT scans to screen for aortic aneurysms, when an ultrasound, which involves no radiation exposure, is the recommended method for this screening.

45. Defendants' marketing to consumers implies that all people should have CT bone scans performed for osteoporosis screening because "it can strike at any age," when in fact it is only recommended for those at risk for osteoporosis.

46. Defendants' marketing to consumers recommends CT bone scans for osteoporosis rather than the standard bone density test which does not involve radiation exposure and is the recommended

method for this screening.

47. Defendants' marketing to consumers includes statements from the American Heart Association which are taken out of context since the AHA does not support use of CT scans for asymptomatic patients.

48. Defendants' marketing to consumers misrepresents the statement of Dr. Claudia I. Henschke to imply that CT screening for lung cancer is appropriate for all consumers. In fact, Dr. Henschke's study only recommends CT screening for patients at risk for lung cancer.

49. Defendants' marketing to consumers includes misrepresentations of studies with respect to the effectiveness of HCA's virtual colonoscopy as compared to more traditional colonoscopies.

JUDY BLAZEK

50. In or around March 2010, HCA contacted Mrs. Blazek's home by telephone to offer a free heart scan. Mrs. Blazek's telephone number is on the National Do Not Call Registry.

51. On March 29, 2010 Mrs. Blazek and her husband, Michael Blazek, visited HCA's Tinley Park location at 9501 W. 171st Street, Suite Q, Tinley Park, Illinois 60487 for a free heart scan.

52. Mrs. Blazek and her husband entered into a 10-year Platinum service plan contract with HCA for \$3,000.00. There was also an additional \$199.00 enrollment fee due on May 13, 2010 plus annual dues of \$199.00 commencing on June 13, 2011. The sales consultant was André. Mrs. Blazek and her husband did not have any tests performed during their initial visit.

53. On March 29, 2010, Mrs. Blazek made an initial down payment of \$300.00 by Mastercard. On April 1, 2010 Mrs. Blazek went back to HCA and paid the remaining sum on their account, \$2,700.00, by check. None of the documents issued to her by HCA indicate that her balance has been paid in full.

54. Some time in April, 2010, Mrs. Blazek received a dues statement from Conrad Acceptance Corporation for \$199.00. Mrs. Blazek paid the sum by phone on June 21, 2010.

55. On April 13, 2010, Mrs. Blazek visited HCA's Tinley Park location to have her scans performed. Kim Pascarella, a HCA employee, conducted her scan. Mrs. Blazek received the results in the ensuing weeks. During her appointment, Mrs. Blazek mentioned to Ms. Pascarella that she was out of work. Subsequent to her visit, Michelle Ziervogel, the HCA office manager, called to ask Mrs. Blazek to come to HCA for a job interview.

56. On May 12, 2010, Mrs. Blazek was hired to work the front desk at HCA's Tinley Park location.

57. On April 23, 2011, Alice, a HCA technician, performed Ms. Blazek's annual full body scan that is part of her 10-year Platinum plan during working hours because it was a slow day at the office. This was also Mrs. Blazek's last day of work at HCA.

58. On April 25, 2011, Ms. Ziervogel called Mrs. Blazek to notify her that she was being laid off. Approximately two (2) weeks later, Mrs. Blazek received another call from Ms. Ziervogel offering to compensate her in cash if she came to work for a couple of days. Mrs. Blazek declined Ms. Ziervogel's offer. On May 13, 2011, Mrs. Blazek went to HCA to see if her full body scan results were in. There was a sign on the building's door declaring that there was a building code violation. No one was in the office. Mrs. Blazek has still not received her results from the April 23, 2011 scan.

59. Mrs. Blazek is requesting a full refund of \$3,199.00. She is seeking \$3,000 for the platinum plan purchase price and \$199.00 for the enrollment fee. She is also requesting that all of her contracts with HCA be cancelled.

DEBORA BRAUN

60. Sometime before January 2011, Ms. Braun heard a radio advertisement for HCA. Sometime in January 2011, Ms. Braun received a telephone call from HCA advertising a promotion for free heart scans during the month of January. Ms. Braun's telephone number is on the National Do Not Call Registry.

61. On January 15, 2011, Ms. Braun and her boyfriend, Martell Gangler, visited HCA's Tinley Park location at 9501 W. 171st Street, Suite Q, Tinley Park, Illinois 60487 for a free heart scan appointment. They met with Larry Jackel, the sales representative.

62. Ms. Braun and her boyfriend sat through an approximately one (1) hour long sales presentation. They were not asked any questions pertaining to their health or medical history. However, they were asked if anyone in their families has or has had cancer. They told Mr. Jackel that three (3) of their close friends and family members were recently diagnosed with cancer. The salesperson informed them that HCA's full body scans detect the first signs of cancer. They were also told that they would receive numerous other medical scans as needed or requested during the ten (10) year period.

63. Ms. Braun and Mr. Gangler were talked into signing a ten (10) year contract with HCA for

\$4,995.00 plus an enrollment fee of \$199.00. Mr. Martell authorized the \$199.00 enrollment fee to be charged to his Visa. Mr. Martel also authorized HCA to charge his Visa an additional annual due of \$199.00, commencing on January 15, 2012.

64. Ms. Braun and Mr. Gangler financed \$4,995.00, the amount owed for the Platinum service plan contract. However, the twenty-four (24) month no interest Chase Health Advance loan that HCA set up was for \$5,194.00. Ms. Braun signed the loan solely in her name.

65. Ms. Braun and Mr. Gangler had heart and full body scans performed during their initial visit to HCA by a female employee. They received their heart scan results verbally the same day. They were told they would receive a DVD with the heart scan results and a written report of the full body scan within a week or two (2).

66. Approximately three (3) weeks after the initial visit to HCA, Ms. Braun called the facility to check on the results. The HCA employee told her that HCA was running behind on sending out the reports because of the free heart scan special during the month of January. Ms. Braun received the written reports approximately two and a half (2 1/2) months after the scans were performed.

67. Sometime during March 2011, Ms. Braun called HCA to schedule a colonoscopy, which was included in her ten (10) year Platinum service plan contract. Her appointment was scheduled for April 29, 2011. Approximately one (1) week later, HCA called Ms. Braun to cancel her April 29, 2011 appointment due to over scheduling. Ms. Braun's colonoscopy appointment was rescheduled for May 13th, 2011. Ms. Braun received the pre-colonoscopy packet from HCA, consisting of medicine and instructions, about two (2) weeks before her scheduled appointment.

68. On May 12, 2011, Ms. Braun began the liquid diet per the HCA packet instructions. Sometime during the afternoon, HCA called to cancel her colonoscopy because the Arlington Heights office was being renovated. Ms. Braun requested that her appointment to be transferred to the Tinley Park office. Ms. Braun was told that the Tinley Park office was also under construction. HCA rescheduled her colonoscopy for June 3, 2011.

69. After rescheduling her colonoscopy for the second time, Ms. Braun researched HCA on the internet and became concerned with its reputation. She e-mailed the Illinois Attorney General's Office to

inquire about HCA.

70. On May 24, 2011, Ms. Braun received a voicemail at work from Michelle, a HCA employee. She called to confirm Ms. Braun's June 3, 2011 appointment at the Arlington Heights location and to ensure that Ms. Braun had received the pre-colonoscopy packet. As Michelle requested, Ms. Braun called the HCA number that Michelle left for her to confirm the scheduled appointment and to confirm that she had received the pre-colonoscopy packet.

71. On June 2, 2011, Ms. Braun followed the pre-colonoscopy instructions and began to take the required medicine.

72. On June 3, 2011, Ms. Braun arrived at HCA's Arlington Heights location for her appointment. Ms. Braun had to take a sick day from work to make the rescheduled appointment. HCA was not open when she arrived at 8:45 a.m., fifteen (15) minutes before her scheduled colonoscopy. Ms. Braun asked the employees of the Asian Medical Group in the unit next to HCA what they knew about HCA being closed. Ms. Braun was informed that HCA also had an office on the third floor. Ms. Braun went upstairs and found that office was closed as well.

73. Subsequently, Ms. Braun called HCA's Tinley Park and Arlington Heights office numbers. The recorded message said that there is a current delay in sending out reports. Ms. Braun also called HCA's Nevada headquarters. That number was not in service. Ms. Braun then called the building's management company, Chicago Land Commercial Real Estate, to ask whether HCA was still a tenant. The woman who answered could not comment on HCA because of the management company's current litigation against it. However, she did tell Ms. Braun that the building's maintenance men have not seen anyone from HCA in the building for about one (1) month.

74. On June 3, 2011, Ms. Braun called Chase Health Advance to request a full refund of the amount she has paid to date and to cancel the rest of the loan and loan payments. Subsequently, Chase Health Advance e-mailed Ms. Braun account dispute forms to complete. Ms. Braun faxed the dispute forms to Chase Health Advance on June 6, 2011.

75. On June 9, 2011, Chase Health Advance sent Ms. Braun a letter informing her that they have received her dispute. Chase Health Advance is investigating the dispute and has issued a provisional

credit on the account for \$5,194.00, the full loan amount.

76. Ms. Braun is seeking a refund in the amount of \$1,107.57, the amount paid to Chase Health Advance to date. She is also requesting that her contracts with HCA and Chase Health Advance be cancelled.

KATHLEEN COLLINS-KUBA

77. On or around February 27, 2011, Ms. Collins-Kuba attended the Chicago Golf Show at the Rosemont Theatre. Ms. Collins-Kuba visited the HCA display that was advertising free heart scans. A woman by the name of Angie was working the display and scheduled her for an appointment with HCA on March 6, 2011.

78. On March 6, 2011, Ms. Collins-Kuba visited HCA's Arlington Heights location for her free heart scan. She met with Terry Brauer, a HCA sales representative.

79. During Ms. Collins-Kuba's visit, she was convinced to upgrade to a full body scan after she informed the sales person that she was having recurring pain in her back. Ms. Collins-Kuba purchased the full body scan for the price of \$600.00. A female HCA employee performed both the heart scan and the full body scan during her initial visit. Ms. Collins-Kuba was told that she would receive the results within a couple of weeks.

80. Approximately two (2) weeks after her initial visit, Ms. Collins-Kuba called HCA's Arlington Heights office several times to inquire about her results. Ms. Collins-Kuba also visited the Arlington Heights office to find out about her results. Ms. Collins-Kuba spoke with Larry Geer, the office manager at the Arlington Heights office. Ms. Collins-Kuba told Mr. Geer that she wanted her results or a refund in the amount of \$600.00. Mr. Geer referred her to Michelle, the office manager at the Tinley Park office. He told Ms. Collins-Kuba that the Tinley Park office takes care of scan results and finances.

81. After she spoke with Mr. Geer, Ms. Collins-Kuba called Michelle at HCA's Tinley Park office. She told Ms. Collins-Kuba that her results would be sent within a week. Michelle said that there was a problem with the new company that HCA was using to read the reports. She told Ms. Collins-Kuba that HCA could not handle the quantity of scans that the free scan promotion was bringing in. Ms. Collins-Kuba did not receive her results within the week and called HCA several more times.

82. On May 21, 2011, Ms. Collins-Kuba finally received her scan results. A few weeks later, Ms. Collins-Kuba took the HCA results into her physician's office to review. Ms. Collins-Kuba's physician told her that the HCA results had no medical relevance. The HCA results report that Ms. Collins-Kuba has calcification, but according to her physician everyone over the age of 50 has some calcification.

83. Sometime in June 2011, Ms. Collins-Kuba had a CT scan performed per her physician's request at Northwest Community Hospital. The CT scan results indicated that the HCA results were inaccurate. For instance, Ms. Collins-Kuba has a kidney stone on one side of her body and the HCA results indicate that she has a stone on the opposite side.

84. After learning about the irrelevance of her full body scan results from HCA, Ms. Collins-Kuba contacted Michelle and requested a full refund. Michelle told her that she would receive the full refund. Ms. Collins-Kuba still has not received a refund of the price she paid for the inaccurate full body scan results. Ms. Collins-Kuba has tried calling HCA to no avail. No one is answering the phone at either HCA location.

85. Ms. Collins-Kuba is seeking a refund in the amount of \$600.00.

86. Since August of 2010, twenty-five (25) consumers have filed complaints against Defendants with the Office of the Illinois Attorney General and the office continues to receive complaints. Hundreds, if not thousands, of consumers have paid in full for multi-year contracts for services they will never receive and for which Defendants have been paid in full. The consumers may be obligated to pay Chase Health Advance or Conrad Acceptance Corporation for these services. Plaintiff reserves the right to prove that consumers other than those who have complained to the Office of the Illinois Attorney General or the Better Business Bureau have been injured as a result of Defendants' unlawful practices.

APPLICABLE STATUTES

87. Section 2 of the Consumer Fraud Act, 815 ILCS 505/2) provides:

Unfair methods of competition and unfair or deceptive acts or practices, including but not limited to the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact, or the use or employment of any practice described in section 2 of the 'Uniform Deceptive Trade Practices Act', approved August 5, 1965, in the conduct of any trade or commerce are hereby declared unlawful whether any person has in fact been misled, deceived or damaged thereby. In construing this section

consideration shall be given to the interpretation of the Federal Trade Commission and the federal courts relating to Section 5(a) of the Federal Trade Commission Act.

VIOLATIONS

CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT

88. While engaged in trade or commerce, the Defendants have committed unfair and/or deceptive acts or practices declared unlawful under Section 2 of the Consumer Fraud Act, 815 ILCS 505/2, by:
- A. Enrolling consumers in long term contracts, taking substantial amounts of money for these contracts, not providing the contracted for services, assigning consumer finance contracts and leaving consumers potentially responsible for the contract balances;
 - B. Failing to inform consumers of the potential risks of the medical procedures;
 - C. Failing to provide scans or scan results;
 - D. Providing inaccurate test results;
 - E. Representing that abdominal and pelvic CT screening scans can improve a consumer's health outcome and that they are cost effective, when in fact they are not;
 - F. Representing that all people should be screened for lung cancer when in fact it is recommended only for those at risk for this disease;
 - G. Representing heart CT scans for screening for aortic aneurysms when in fact an ultrasound, which involves no radiation exposure, is the recommended method for this screening;
 - H. Representing that all people should have CT bone scans performed for osteoporosis screening because "it can strike at any age," when in fact it is only recommended for those at risk for osteoporosis;
 - I. Representing CT bone scans for osteoporosis screening when in fact the standard bone density test, does not involve radiation exposure, and is the recommended method for this screening;
 - J. Representing that the American Heart Association supports the use of CT scans for asymptomatic patients when in fact the AHA does not support use of CT scans for asymptomatic patients;
 - K. Representing that Dr. Claudia I. Henschke recommends that CT screening for lung cancer is appropriate for all consumers, when in fact, Dr. Henschke's study only recommends CT screening for patients at risk for lung cancer;

- L. Misrepresenting in its marketing materials studies with respect to the effectiveness of Heart Check America's virtual colonoscopy as compared to more traditional colonoscopies;
- M. Contrary to the public policy of the State of Illinois, calling consumers registered on the National Do Not Call Registry as prohibited by the Telephone Consumer Protection Act, 47 U.S.C. 227 and 47 C.F.R. §64.1200 (c)(2).

REMEDIES

87. Section 7 of the Consumer Fraud Act, 815 ILCS 505/7, provides:

(a) Whenever the Attorney General has reason to believe that any person is using, has used, or is about to use any method, act or practice declared by the Act to be unlawful, and that proceedings would be in the public interest, he may bring an action in the name of the State against such person to restrain by preliminary or permanent injunction the use of such method, act or practice. The Court, in its discretion, may exercise all powers necessary, including but not limited to: injunction, revocation, forfeiture or suspension of any license, charter, franchise, certificate or other evidence of authority of any person to do business in this State; appointment of a receiver; dissolution of domestic corporations or association suspension or termination of the right of foreign corporations or associations to do business in this State; and restitution.

(b) In addition to the remedies provided herein, the Attorney General may request and this Court may impose a civil penalty in a sum not to exceed \$50,000 against any person found by the Court to have engaged in any method, act or practice declared unlawful under this Act. In the event the court finds the method, act or practice to have been entered into with intent to defraud, the court has the authority to impose a civil penalty in a sum not to exceed \$50,000 per violation.

(c) In addition to any other civil penalty provided in this Section, if a person is found by the court to have engaged in any method, act, or practice declared unlawful under this Act, and the violation was committed against a person 65 years of age or older, the court may impose an additional civil penalty not to exceed \$10,000 for each violation.

88. Section 10 of the Consumer Fraud Act, 815 ILCS 505/10, provides that "[i]n any action brought under the Provisions of this Act, the Attorney General is entitled to recover costs for the use of this State."

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff prays that this Honorable Court enter an Order:

- A. Finding that the Defendants have violated section 2 of the Consumer Fraud Act, 815 ILCS 505/1, by, but not limited to, the unlawful acts and practices alleged herein;

- B. Temporarily, preliminarily and permanently enjoining the Defendants from:
1. Owning, operating, having any ownership or proprietary interest or taking any part in the management or operation of any medical practice;
 2. Transferring and/or disposing of assets, destroying and/or failing to preserve any business records;
 3. Failing to inform consumers of the potential risks of the medical procedures;
 4. Failing to provide scan results or scans;
 5. Providing inaccurate test results;
 6. Representing that abdominal and pelvic CT screening scans can improve a consumer's health outcome and that they are cost effective, when in fact they are not;
 7. Representing that all people should be screened for lung cancer when in fact it is recommended only for those at risk for this disease;
 8. Representing heart CT scans for screening for aortic aneurysms when an ultrasound, which involves no radiation exposure, is the recommended method for this screening;
 9. Representing that all people should have CT bone scans performed for osteoporosis screening because "it can strike at any age," when in fact it is only recommended for those at risk for osteoporosis;
 10. Representing CT bone scans for osteoporosis screening, rather than the standard bone density test, which does not involve radiation exposure and is the recommended method for this screening;
 11. Representing that the American Heart Association supports the use of CT scans for asymptomatic patients when in fact the AHA does not support use of CT scans for asymptomatic patients;
 12. Representing that Dr. Claudia I. Henschke recommends that CT screening for lung cancer is appropriate for all consumers, when in fact, Dr. Henschke's study only recommends CT screening for patients at risk for lung cancer;
 13. Misrepresenting in its marketing materials studies with respect to the effectiveness of Heart Check America's virtual colonoscopy as compared to more traditional colonoscopies;
 14. Assigning its financing contracts to any new business that may purchase its accounts receivables;
 15. Calling consumers registered on the National Do Not Call Registry as prohibited by the Telephone

Consumer Protection Act, 47 U.S.C. 227 and 47 C.F.R. §64.1200 (c)(2).

C. Declaring that all contracts entered into between the Defendants and Illinois consumers by the use of methods and practices are unlawful and rescinded and requiring that full restitution be made to said consumers;

D. Declaring that all financing contracts through Conrad Acceptance Corporation and/or Chase Health Advance entered into by Illinois consumers for services to be provided by HEART CHECK AMERICA, INC. and HEART CHECK AMERICA TINLEY PARK, L.L.C be rescinded;

E. Ordering the Defendants to notify all individuals and organizations which received medical treatments from Defendants that services were not performed under the supervision of a licensed physician, and that if the individual has any concerns, then the individual should consult with his personal physician;

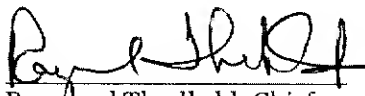
F. Assessing a civil penalty in the amount of \$50,000 if the Court finds the Defendants have engaged in methods, acts or practices declared unlawful by the Act without the intent to defraud, if the Court finds Defendants have engaged in methods, acts or practices declared unlawful by the Act with the intent to defraud, then assessing a statutory civil penalty of \$50,000, all as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7;

G. Requiring the Defendants to pay all costs for the prosecution and investigation of this action, as provided by section 10 of the Consumer Fraud and Deceptive Business Practices Act (815 ILCS 505/10); and

H. Providing such other and further equitable relief as justice and equity may require.

Respectfully submitted,

THE PEOPLE OF THE STATE OF
ILLINOIS, by LISA MADIGAN,
ATTORNEY GENERAL OF ILLINOIS

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